

Globalization is Good or Bad? Considering View of Next Generation Leaders

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Doi:10.5901/mjss.2012.v3n2.225

Abstract Globalization has the effect on world business in this 21st century undoubtedly. Effects come through both positive and negative (dark) sides. This study aims to examine how future business leaders view globalization. 494 samples involved and were selected via nonrandom convenient sampling process. Results infer that business majors have a different attitude toward globalization compared with non-business majors. Next, students' attitude toward globalization is also likely to be influenced by their family background, especially their parents' occupations. Ultimately, business environments are going global, internal environments, including the mind-set of future managers, may change toward more globalization, resulting in potentially more globally oriented strategies. Managers need to be on guard against antiglobalization sentiments tendency experienced by large segments of the population for more "creeping globalization."

Keywords: learning style; field of study; length of tertiary study; gender; age; learning language experience;

1. Introduction

Globalization has the effect on world business in this 21st century undoubtedly. Effects come through both positive and negative (dark) sides. However, it seems especially important to know how future generation view globalization if the future generations are to avoid more surprises on the road toward further globalization. But scholars actually know very little about how the present students view globalization. Do these future business leaders have a different attitude toward globalization compared with the general public and the current business leaders? If so, where do these differences come from? This aims to address these crucial but unanswered questions. Second, from a scholarly point of view, although there are numerous studies on the attitude of executives, policymakers, and academics toward globalization cited earlier and on the attitude of university students toward such issues as careers (Collins, 1996) and cooperation (Frank, Gilovich, & Regan, 1993), there has been no study of the attitude of students toward globalization. To the extent that the future of globalization will be shaped by the current generation of students, such a lack of understanding of their values and views is alarming. Given the importance and timeliness of this issue, as evidenced by the recent protests and debates, this study helps fill a crucial gap in knowledge about how future business leaders of Bangladesh view globalization.

2. Literature Review

Prior studies were researched among executives (Ball & McCullough, 1993; Beamish & Calof, 1989; Hoffman & Gopinath, 1994), policymakers (Czinkota & Ronkainen, 1997), and academics (Kwok, Arpan, & Folks, 1994) shows a great progress toward globalization was made during the 1990s. Fueled by advances in

technology, increases in global trade and investment, and improvements in standard of living, globalization was widely believed to be a positive force embraced by a majority of the global public. Yet, toward the end of the decade, massive antiglobalization protests, organized primarily by union members, environmentalists, and human rights activists designed to derail a World Trade Organization (WTO) meeting, suddenly broke out in Seattle in December 1999. Since then, similar antiglobalization protests have repeatedly broken out in places such as Washington (April 2000), Quebec City (April 2001), and Cancun (September 2003). As a result, executives, policymakers, and academics were caught off guard by the strong antiglobalization feelings expressed (sometimes violently, as in Seattle) in these protests. More importantly and alarmingly, antiglobalization feelings have recently moved from being minority views to more mainstream sentiments that enter political debates (Bhagwati, 2004; Stiglitz, 2002).

These protests and debates suggest that while most executives, policymakers, and academics—whom we collectively term “elites”—surveyed in the U.S. would embrace globalization, a substantial segment of the global public and certain politicians seem to have a strong backlash against globalization (“Backlash behind the Anxiety over Globalization,” 2000). Although it is long known that globalization carries both benefits and costs, business leaders, in their drive toward more globalization, may have failed to adequately take into account the social, political, and environmental costs associated with globalization (Clark & Knowles, 2003; Eden & Lenway, 2001). It is likely that during their formative years while they were in college and universities, these elites were not exposed to the “dark” side of globalization and would only embrace a “rosy” picture of globalization.

Given such a wide divide between the views of the elites and those of the public, it seems especially important to know how future generation view globalization if the world is to avoid more surprises on the road toward further globalization. Future business leaders are people who are currently being educated in business schools and who will influence the global economy in the future. Having been better exposed to both sides of the globalization debate compared with the current business leaders, these individuals may hopefully make more informed and balanced decisions when they assume leadership positions. Management educators have the mandate to train a new generation of business leaders who will be able to handle these difficult responsibilities.

2.1 The influence of Economics

Future business leaders have two characteristics. First, they are young enough to have more opportunities to assume important positions in the corporate world than the general public. Second, they are interested in economics and business. The sample consisted of undergraduate and graduate students who took at least one required; introductory-level economics class (Micro / Macroeconomics). Research suggests that the self-selection to study economics and the socialization within an economics curriculum are likely to lead to certain attitudinal changes in favor of more market competition (Frank et al., 1993). In economics, especially at the undergraduate and graduate introductory level, free trade is widely regarded as a positive force for all countries, whereas barriers to free trade would decrease its benefits. It follows, then, that the future business leaders, who had an opportunity to study economics, are more likely to be positive toward globalization than the general public, who may not have such knowledge of economics. Accordingly, the study hypothesizes that:

Hypothesis 1: Future business leaders are more positive toward globalization than the general public.

2.2 The Influence of Being a Business Major

Business majors may have a different attitude toward globalization compared with nonbusiness majors (Rynes & Trank, 1999). Business (and economics) students are often found to be more materialistic (Collins,

1996) and individualistic (Frank et al., 1993) than the rest of the student population. The reason may be either self-selection or socialization within the program. In either case, being a business major may shape a student's worldview, including his or her attitude toward globalization. For example, business majors may focus more on the economic gains of globalization than nonbusiness students do. As a result, they may be less concerned with the social, environmental and political costs associated with globalization. Therefore, the study posits:

Hypothesis 2: Business majors are more positive toward globalization than nonbusiness majors.

2.3 The Influence of Family Background

During their formative years, students' attitude toward globalization is also likely to be influenced by their family background, especially their parents' occupations. In particular, parents who have blue-collar jobs are more likely to lose their jobs due to global competition. Conversely, white-collar employees tend to be better educated and may benefit more from globalization. Such a privileged position may influence their children's view. Thus, the study hypothesizes that:

Hypothesis 3: Students who have white-collar parents are more positive toward globalization than students who have blue-collar parents.

3. Methodology

Using 494 undergraduate and graduate students who were taking a required, introductory-level international business class at public and private universities, it was replicated by the Business Week survey (see Appendix 1). The survey was administered in the middle of the term, after students were exposed to both sides of the globalization debate, including an explicit discussion of the antiglobalization protests in Seattle and elsewhere. With an enrollment of over 50,000, the university attracts students from all walks of life, thus representing tremendous diversity. Ranked by University Grants Commission (UGC) as among the top 15 in the country, the upper-division undergraduate and graduate business program is highly popular on campus, and generally requires a 3.0 GPA during the freshman and second years to enter. The city in which the university is located is regarded as solidly "center of Bangladesh," with its racial distribution similar to that of the country and its cost of living index approaching 100% of the Bangladesh average. Dhaka is often used as a test marketing site for major consumer goods companies before they undertake nationwide product launches.

4. Data Analysis

Among the sampled students, 58% were male and 42% female. Their age ranged between 19 and 49, with a mean of 22. Approximately 90% of the sampled students majored in business. The research asked the students to characterize their parents' background. Slightly less than 50% of the students came from a white-collar family. Students who were from urban areas would have more exposure to globalization compared with those from rural areas. Urban areas tend to be more cosmopolitan, with more abundant opportunities to sample flavors of international cultures, foods, and imports. These benefits may be hard to access from rural areas, which may be more parochial. Therefore, the students born and raised in urban areas may have a different attitude toward globalization than those from rural areas, thus calling for a control of this factor. Overall, 69% of the sample came from urban areas.

Although some students have jobs, not all hold regular, professional jobs. It is possible that students who have regular, professional jobs may be less affected by the winds of globalization than those who have

unstable, nonprofessional jobs. Therefore, the students had professional jobs when they took the course were also controlled. About 27% of the students reported to have professional jobs. Further, the substantial foreign student enrollment at the university (representing 7% of the student population), which has one of the largest international student contingents in the country, and in the class thus gave an opportunity to tease out the nationality effect as another control variable. It was found that 12% of the sampled students had non-Bangladeshi citizenships.

Table 1. Socio-demographic profile of respondents

Variables	Category	Frequency	Total
Sex	Male	281	488
	Female	207	
Age	Range	19-49	492
	Average	22	
Major	Business	450	494
	Nonbusiness	44	
Parents' Background	White collar	235	494
	Blue collar	259	
Hometown	Urban	343	494
	Rural	151	
Current Employment	Professional	132	494
	Nonprofessional	362	
Students	Bangladeshi Citizen	430	490
	Non-Bangladeshi Citizen	60	

4.1 Correlation Analysis

The inter-relationships between the seven variables were examined using correlation analysis and it is summarised in the Table 2. All of the Pearson's correlations between variables were greater than 0.3 and lesser than 1. Hence, there is no multicollinearity problem in this research and allowing to proceed with hypothesis testing.

Table 2. Correlation matrix

	Sex Male	Age	Business	White-Collar	Urban	Prof. Job	Non-Bangladeshi
Sex Male	1.000						
Age	-0.090	1.000					
Business	-0.028	0.148	1.000				
White-Collar	0.006	0.007	0.013	1.000			
Urban/Sub	0.027	0.051	0.039	0.131	1.000		
Professional Job	0.099	-0.228	-0.116	0.039	-0.046	1.000	
Non-Bangladeshi	0.036	-0.221	-0.064	0.031	0.139	-0.123	1.000

In Table 3, it was undertaken that a univariate analysis to test H1 through two-sample z tests. Specifically, nearly all of the students (96%) believed that globalization is good for global consumers, whereas only about two-thirds of the general public held a similar view. In terms of the percentage of respondents who believed that globalization is good for International companies, student sample outnumbered the general public by 14 percentage points (77% versus 63%). A significantly higher percentage of the students (88%) also believed that globalization is good for the world economy, whereas about one-quarter less of the general public (64%) shared a similar view. Moreover, 82% of the students supported the view that globalization benefits poor countries' economies, whereas 75% of the public polled held such a view. Interestingly, students seemed to

have a more dismal view on globalization's impact on Global jobs, with only 43% believing that globalization is good for creating global jobs—this was probably a reflection of the recent recession that resulted in a very poor job market. In contrast, half of the surveyed public believed so. Nevertheless, such a difference was not significant. In conclusion, it was compared with the general public, next generation leaders indeed have a significantly more positive view toward globalization. Therefore, H1 of future business leaders are more positive toward globalization than the general public was strongly supported.

Table 3. Next generation leaders versus the general public of those who answered "good"

Questions: Overall, do you think globalization is good or bad for	Next Generation Leaders	General Public	z-Score
1. consumers like you	96%	68%	12.2**
2. international companies	77%	63%	5.5**
3. the world economy	88%	64%	9.8**
4. creating jobs in world market	43%	50%	-2.6
5. strengthening poor countries economies	82%	75%	3.1**

Notes: * $p < 0.05$; ** $p < 0.01$.

4.2. Logistic Regression

Binary logistic regression was undertaken for H2 and H3. Specifically, "business major," "white-collar parents," "urban origin," "professional job," and "non-Bangladeshi citizenship" were coded 1, and others 0. For H2, it was found that business majors in Models 1 and 5 showed significantly positive results toward globalization than nonbusiness majors (Table 4). In Models 2, 3, and 4, although the signs of the coefficients were all positive, it was unable to find a significant association. Thus, H2 was partially supported.

Table 4. Business majors, parental background, and attitude toward globalization

Models	(1)	(2)	(3)	(4)	(5)
Constant	17.91 (12.58)	-1.86 (3.61)	-0.77 (4.66)	-1.16 (3.47)	0.45 (4.14)
Controls					
Sex Male	-0.55 (0.52)	0.21 (0.22)	-0.47 (0.31)	0.32+ (0.19)	0.03 (0.24)
Age	-0.20 (0.37)	0.03 (0.05)	0.04 (0.06)	0.01 (0.04)	0.01 (0.05)
Urban	0.37 (0.51)	-0.18 (0.25)	-0.27 (0.33)	-0.31 (0.21)	-0.17 (0.27)
Professional Job	-0.55 (0.52)	-0.27 (0.25)	-0.21 (0.33)	-0.12 (0.22)	0.03 (0.28)
Non Bangladeshi Students	-0.69 (0.69)	-0.24 (0.34)	0.71 (0.56)	0.15 (0.30)	-1.07** (0.32)
Predictors					
Business major	1.29* (0.63)	0.49 (0.37)	0.36 (0.48)	0.14 (0.36)	0.75* (0.38)
White-collar parents	0.04 (0.48)	0.21 (0.22)	0.07 (0.29)	0.38* (0.19)	-0.14 (0.23)
Log-likelihood	-76.080	-257.599	-167.057	-320.465	-232.976
G	7.468	6.553	6.660	8.615	18.093
p-value	0.382	0.477	0.465	0.282	0.012

Notes: + $p < 0.1$; * $p < 0.05$; ** $p < 0.01$.

Testing H3, in four out of five models, the result found, as predicted, that students with white-collar parents had positive signs toward globalization than students who have blue-collar parents. However, only the coefficient for Model 4 was significant, implying that students from white-collar households were more likely to believe that globalization is good for creating global jobs. At least for the job creation, potential of globalization for the world, this finding is especially strong, in light of the results reported in Table 3 that students in general are less likely than the general public to have a positive view on such potential. As a result, H3 was also partially supported.

5. Discussion

This study aims to examine how future business leaders view globalization. Results enumerates that compared with the general public, business students, though at a relatively young age (on average 22 years old), already hold a substantially more positive view toward globalization. While not surprising, this finding is significant, because it establishes a baseline difference during these next generation leaders' formative years. It is possible that as these individuals progress in their business career, their positive view toward globalization may strengthen, thus increasingly converging with the view held by current executives. Business majors and/or students with white-collar parents are especially likely to have a positive attitude toward globalization. Because of possible self-selection, it is difficult to establish a causal link between majoring in business and such an attitude. It is, however, plausible to argue that socialization in a white-collar household may lead to a more positive attitude toward globalization.

Further investigation of the study revealed that foreign students had a mixed view toward globalization in Models 1 through 4 in Table 4, in Model 5 they were significantly less likely to agree with the position, often embraced by Bangladeshis such as those surveyed by the research, that globalization is good for strengthening poor countries' economies. Given that some of these foreign students are likely to assume leadership positions in their own countries, such a finding implies that some future foreign business leaders may not be as enthusiastic about globalization as their non-native colleagues are. Therefore, it is not surprising that international proposals for more globalization in international forums such as the WTO often meet resistance. The data and information of this research, at a very micro level, hint at why this may be the case.

6. Conclusion and Recommendations

In a nutshell, business majors have a different attitude toward globalization compared with non-business majors. Next, students' attitude toward globalization is also likely to be influenced by their family background, especially their parents' occupations. Based on an exploratory study, the findings need to be interpreted with at least three limitations in mind. First, this research was relied on a nonrandom, convenient sample. The sample size, nearly 500 people, is not necessarily small, given that the presumably nationwide Business Week survey only included slightly over 1,000 people. However, it remains to be seen whether similar findings would emerge if more business students in a wide variety of universities are surveyed. Second, attitudes toward globalization may be changing more recently, as more white-collar jobs in world market are reportedly threatened by low-cost countries. Whether business students will continue to hold a "rosy" picture of globalization while some of their (future) jobs may be threatened remains to be seen in future research. Finally, globalization, by definition, is not a country based phenomenon, and antiglobalization protests also erupted in Asia, America and Europe recently. Therefore, global validation of the research findings is called for.

For managers who are working at global enterprises, the message from this study has some implications for action. First, the finding that young student are more positive toward globalization than the general public may imply that globalization strategies will become more and more popular in the near future

when these students become business leaders. This means that as business environments are going global, internal environments, including the mind-set of future managers, may change toward more globalization, resulting in potentially more globally oriented strategies. Thus, given the large antiglobalization sentiments experienced by large segments of the population, managers need to be on guard against this tendency for more "creeping globalization."

Second, this study may have an important implication for global firms' internal staffing. The empirical result that business majors are likely to have a positive attitude toward globalization suggests that relative to other majors, business majors can be more motivated if they are assigned to internationally oriented positions. Better motivation of employees is obviously more likely to lead to better firm performance. As a result, managers may need to recognize different attitudes toward globalization between business majors and nonbusiness majors and take advantage of business majors' stronger interest in and more positive attitudes toward globalization.

Although this study helps fill a gap in scholarly knowledge about next generation leaders, its implications for the people as management educators are profound, rewarding, or unsettling—depending on one's point of view. On the one hand, perhaps researchers should congratulate themselves because the students, even at a relatively young age, are already found to exhibit similar values shared by their more accomplished seniors. Despite the possible self-selection in their major selection and the probable family influence, there is no denying that their values are shaped, at least in part, by the educational experience educators provide. To the extent that business schools aspire to train next generation leaders by providing them with the dominant values practitioners hold, educators seem to have succeeded in this mission.

On the other hand, a more unsettling question, in light of the sudden outburst of antiglobalization protests in Seattle and elsewhere, is: Have researchers been too successful? Since it is increasingly clear that globalization has two sides and that its "dark" side carries substantial social, political, and environmental costs, how can (or should) researchers intervene to correct business students' seemingly one sided view toward globalization? In other words, given the usual compulsion among textbook authors to praise globalization, should researchers devote more time in the classroom on the "dark" side of globalization so as to sensitize students about its potentially devastating consequences? Moreover, should researchers tell students that the problem is not with globalization itself but with how it has been managed, as Stiglitz (2002) suggested?

On this crucial issue, it seems that management educators need to strike a very delicate balance. Although the findings imply that a heavier emphasis in the teaching on the more negative aspects of globalization may be called for, an influential recent book by Bhagwati (2004) argued that the positive effects of globalization on the social, political, and environmental conditions – the so-called human face of globalization need to be emphasized more. It certainly makes sense that in the teaching, educators should avoid overemphasizing any one side – either negative or positive of globalization. The challenge for researchers as concerned management educators is *how* to strike such a balance (Peng, 2006; Ricks, 2003). If as a consequence of this article more professors (as well as students, executives, and policymakers) become interested in exploring the two-sidedness of globalization and endeavoring to establish a more informed and balanced understanding, then the purposes will have been well served.

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Appendix 1. Key questions in the survey

Goods and services produced in different regions of the world are distributed worldwide through export / import. Most of the goods and services of different nations are imported from elsewhere. Overall, do you think globalization is good or bad for

	Good	Bad	Don't know	Refuse to answer
1. Consumers' like you	a	b	c	d
2. International companies	a	b	c	d
3. The world economy	a	b	c	d
4. Creating jobs in world market	a	b	c	d
5. Strengthening poor countries' economy	a	b	c	d